

DISTRIBUTION OF LOCAL SALES TAX REVENUE

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ralph Okerlund

House Sponsor: Michael E. Noel

LONG TITLE

General Description:

This bill addresses the distribution of local sales and use tax revenue.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ provides for a minimum distribution of certain local sales and use tax revenue for an eligible county, city, or town; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

- [59-12-205](#), as last amended by Laws of Utah 2012, Chapter 9
- [59-12-302](#), as last amended by Laws of Utah 2011, Chapters 288, 309 and last amended by Coordination Clause, Laws of Utah 2011, Chapter 309
- [59-12-354](#), as last amended by Laws of Utah 2011, Chapters 288 and 309
- [59-12-403](#), as last amended by Laws of Utah 2015, Chapter 182
- [59-12-603](#), as last amended by Laws of Utah 2011, Chapter 309
- [59-12-703](#), as last amended by Laws of Utah 2012, Chapter 254
- [59-12-802](#), as last amended by Laws of Utah 2014, Chapter 50

- 30 [59-12-804](#), as last amended by Laws of Utah 2014, Chapter 50
- 31 [59-12-1102](#), as last amended by Laws of Utah 2012, Chapters 212 and 254
- 32 [59-12-1302](#), as last amended by Laws of Utah 2012, Chapter 254
- 33 [59-12-1402](#), as last amended by Laws of Utah 2012, Chapter 254
- 34 [59-12-2103](#), as last amended by Laws of Utah 2015, Chapter 365
- 35 [59-12-2206](#), as last amended by Laws of Utah 2015, Chapter 275

36

Be it enacted by the Legislature of the state of Utah:

37 Section 1. Section [59-12-205](#) is amended to read:

38 **[59-12-205. Ordinances to conform with statutory amendments -- Distribution of](#)**
39 **[tax revenue -- Determination of population.](#)**

40 (1) A county, city, or town, in order to maintain in effect sales and use tax ordinances
41 adopted pursuant to Section [59-12-204](#), shall, within 30 days of an amendment to an applicable
42 provision of Part 1, Tax Collection, adopt amendments to the county's, city's, or town's sales
43 and use tax ordinances as required to conform to the amendments to Part 1, Tax Collection.

44 (2) Except as provided in Subsections (3) through [~~5~~] (6) and subject to Subsection
45 [~~6~~] (7):

46 (a) 50% of each dollar collected from the sales and use tax authorized by this part shall
47 be distributed to each county, city, and town on the basis of the percentage that the population
48 of the county, city, or town bears to the total population of all counties, cities, and towns in the
49 state; and

50 (b) (i) except as provided in Subsection (2)(b)(ii), 50% of each dollar collected from
51 the sales and use tax authorized by this part shall be distributed to each county, city, and town
52 on the basis of the location of the transaction as determined under Sections [59-12-211](#) through
53 [59-12-215](#); and

54 (ii) 50% of each dollar collected from the sales and use tax authorized by this part
55 within a project area described in a project area plan adopted by the military installation
56 development authority under Title 63H, Chapter 1, Military Installation Development
57

58 Authority Act, shall be distributed to the military installation development authority created in
59 Section [63H-1-201](#).

60 (3) (a) Beginning on July 1, 2011, and ending on June 30, 2016, the commission shall
61 each year distribute to a county, city, or town the distribution required by this Subsection (3) if:

62 (i) the county, city, or town is a:

63 (A) county of the third, fourth, fifth, or sixth class;

64 (B) city of the fifth class; or

65 (C) town;

66 (ii) the county, city, or town received a distribution under this section for the calendar
67 year beginning on January 1, 2008, that was less than the distribution under this section that the
68 county, city, or town received for the calendar year beginning on January 1, 2007;

69 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located
70 within the unincorporated area of the county for one or more days during the calendar year
71 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,
72 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North
73 American Industry Classification System of the federal Executive Office of the President,
74 Office of Management and Budget; or

75 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
76 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during
77 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry
78 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the
79 2002 North American Industry Classification System of the federal Executive Office of the
80 President, Office of Management and Budget; and

81 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment
82 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for
83 one more days during the calendar year beginning on January 1, 2008, was not the holder of a
84 direct payment permit under Section [59-12-107.1](#); or

85 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection

86 (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a
87 city or town for one or more days during the calendar year beginning on January 1, 2008, was
88 not the holder of a direct payment permit under Section 59-12-107.1.

89 (b) The commission shall make the distribution required by this Subsection (3) to a
90 county, city, or town described in Subsection (3)(a):

91 (i) from the distribution required by Subsection (2)(a); and

92 (ii) before making any other distribution required by this section.

93 (c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by
94 multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

95 (ii) For purposes of Subsection (3)(c)(i):

96 (A) the numerator of the fraction is the difference calculated by subtracting the
97 distribution a county, city, or town described in Subsection (3)(a) received under this section
98 for the calendar year beginning on January 1, 2008, from the distribution under this section that
99 the county, city, or town received for the calendar year beginning on January 1, 2007; and

100 (B) the denominator of the fraction is \$333,583.

101 (d) A distribution required by this Subsection (3) is in addition to any other distribution
102 required by this section.

103 (4) (a) For fiscal years beginning with fiscal year 1983-84 and ending with fiscal year
104 2005-06, a county, city, or town may not receive a tax revenue distribution less than .75% of
105 the taxable sales within the boundaries of the county, city, or town.

106 (b) The commission shall proportionally reduce monthly distributions to any county,
107 city, or town that, but for the reduction, would receive a distribution in excess of 1% of the
108 sales and use tax revenue collected within the boundaries of the county, city, or town.

109 (5) (a) As used in this Subsection (5):

110 (i) "Eligible county, city, or town" means a county, city, or town that receives \$2,000 or
111 more in tax revenue distributions in accordance with Subsection (4) for each of the following
112 fiscal years:

113 (A) fiscal year 2002-03;

114 (B) fiscal year 2003-04; and

115 (C) fiscal year 2004-05.

116 (ii) "Minimum tax revenue distribution" means the greater of:

117 (A) the total amount of tax revenue distributions an eligible county, city, or town
118 receives from a tax imposed in accordance with this part for fiscal year 2000-01; or

119 (B) the total amount of tax revenue distributions an eligible county, city, or town
120 receives from a tax imposed in accordance with this part for fiscal year 2004-05.

121 (b) (i) Except as provided in Subsection (5)(b)(ii), beginning with fiscal year 2006-07
122 and ending with fiscal year 2012-13, an eligible county, city, or town shall receive a tax
123 revenue distribution for a tax imposed in accordance with this part equal to the greater of:

124 (A) the payment required by Subsection (2); or

125 (B) the minimum tax revenue distribution.

126 (ii) If the tax revenue distribution required by Subsection (5)(b)(i) for an eligible
127 county, city, or town is equal to the amount described in Subsection (5)(b)(i)(A) for three
128 consecutive fiscal years, for fiscal years beginning with the fiscal year immediately following
129 that three consecutive fiscal year period, the eligible county, city, or town shall receive the tax
130 revenue distribution equal to the payment required by Subsection (2).

131 (c) For a fiscal year beginning with fiscal year 2013-14 and ending with fiscal year
132 2015-16, an eligible county, city, or town shall receive the minimum tax revenue distribution
133 for that fiscal year if for fiscal year 2012-13 the payment required by Subsection (2) to that
134 eligible county, city, or town is less than or equal to the product of:

135 (i) the minimum tax revenue distribution; and

136 (ii) .90.

137 (6) (a) As used in this Subsection (6):

138 (i) "Eligible county, city, or town" means a county, city, or town that:

139 (A) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue
140 distributions for fiscal year 2002-03;

141 (B) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue

142 distributions for fiscal year 2003-04;

143 (C) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue

144 distributions for fiscal year 2004-05;

145 (D) for a fiscal year beginning with fiscal year 2012-13 and ending with fiscal year
146 2015-16, does not receive a tax revenue distribution described in Subsection (5) equal to the
147 amount described in Subsection (5)(b)(i)(A) for three consecutive fiscal years; and

148 (E) does not impose a sales and use tax under Section 59-12-2103 on or before July 1,
149 2016.

150 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
151 distributions an eligible county, city, or town receives from a tax imposed in accordance with
152 this part for fiscal year 2004-05.

153 (b) Beginning with fiscal year 2016-17 and ending with fiscal year 2020-21, an eligible
154 county, city, or town shall receive a tax revenue distribution for a tax imposed in accordance
155 with this part equal to the greater of:

156 (i) the payment required by Subsection (2); or

157 (ii) the minimum tax revenue distribution.

158 ~~[(6)]~~ (7) (a) Population figures for purposes of this section shall be based on the most
159 recent official census or census estimate of the United States Census Bureau.

160 (b) If a needed population estimate is not available from the United States Census
161 Bureau, population figures shall be derived from the estimate from the Utah Population
162 Estimates Committee created by executive order of the governor.

163 (c) The population of a county for purposes of this section shall be determined only
164 from the unincorporated area of the county.

165 Section 2. Section 59-12-302 is amended to read:

166 **59-12-302. Collection of tax -- Administrative charge.**

167 (1) Except as provided in Subsection (2) or (3), the tax authorized under this part shall
168 be administered, collected, and enforced in accordance with:

169 (a) the same procedures used to administer, collect, and enforce the tax under:

170 (i) Part 1, Tax Collection; or
171 (ii) Part 2, Local Sales and Use Tax Act; and
172 (b) Chapter 1, General Taxation Policies.
173 (2) The location of a transaction shall be determined in accordance with Sections
174 59-12-211 through 59-12-215.
175 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
176 Subsections 59-12-205(2) through ~~(6)~~ (7).
177 (4) The commission:
178 (a) shall distribute the ~~[revenues]~~ revenue collected from the tax to the county within
179 which the ~~[revenues were]~~ revenue was collected; and
180 (b) shall retain and deposit an administrative charge in accordance with Section
181 59-1-306 from ~~[revenues]~~ revenue the commission collects from a tax under this part.
182 Section 3. Section 59-12-354 is amended to read:
183 **59-12-354. Collection of tax -- Administrative charge.**
184 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part
185 shall be administered, collected, and enforced in accordance with:
186 (a) the same procedures used to administer, collect, and enforce the tax under:
187 (i) Part 1, Tax Collection; or
188 (ii) Part 2, Local Sales and Use Tax Act; and
189 (b) Chapter 1, General Taxation Policies.
190 (2) (a) The location of a transaction shall be determined in accordance with Sections
191 59-12-211 through 59-12-215.
192 (b) The commission:
193 (i) except as provided in Subsection (2)(b)(ii), shall distribute the ~~[revenues]~~ revenue
194 collected from the tax to the municipality within which the ~~[revenues were]~~ revenue was
195 collected; and
196 (ii) shall retain and deposit an administrative charge in accordance with Section
197 59-1-306 from the ~~[revenues]~~ revenue the commission collects from a tax under this part.

198 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
199 Subsections 59-12-205(2) through [(6)] (7).

200 Section 4. Section 59-12-403 is amended to read:

201 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**
202 **Notice requirements -- Administration, collection, and enforcement of tax --**
203 **Administrative charge.**

204 (1) For purposes of this section:

205 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
206 4, Annexation.

207 (b) "Annexing area" means an area that is annexed into a city or town.

208 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a
209 city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
210 repeal, or change shall take effect:

211 (i) on the first day of a calendar quarter; and

212 (ii) after a 90-day period beginning on the date the commission receives notice meeting
213 the requirements of Subsection (2)(b) from the city or town.

214 (b) The notice described in Subsection (2)(a)(ii) shall state:

215 (i) that the city or town will enact or repeal a tax or change the rate of a tax under this
216 part;

217 (ii) the statutory authority for the tax described in Subsection (2)(b)(i);

218 (iii) the effective date of the tax described in Subsection (2)(b)(i); and

219 (iv) if the city or town enacts the tax or changes the rate of the tax described in
220 Subsection (2)(b)(i), the rate of the tax.

221 (c) (i) [~~The~~] If the billing period for a transaction begins before the effective date of the
222 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or
223 59-12-402.1, the enactment of [a] the tax or [a] the tax rate increase takes effect on the first day
224 of the first billing period[:(A)] that begins on or after the effective date of the enactment of the
225 tax or the tax rate increase[; and].

226 [~~(B) if the billing period for the transaction begins before the effective date of the~~
227 ~~enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or~~
228 ~~59-12-402.1.~~]

229 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
230 statement for the billing period is [~~rendered~~] produced on or after the effective date of the
231 repeal of the tax or the tax rate decrease imposed under Section 59-12-401, 59-12-402, or
232 59-12-402.1.

233 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
234 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
235 a tax described in Subsection (2)(a) takes effect:

236 (A) on the first day of a calendar quarter; and

237 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
238 rate of the tax under Subsection (2)(a).

239 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
240 commission may by rule define the term "catalogue sale."

241 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs
242 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
243 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
244 effect:

245 (i) on the first day of a calendar quarter; and

246 (ii) after a 90-day period beginning on the date the commission receives notice meeting
247 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.

248 (b) The notice described in Subsection (3)(a)(ii) shall state:

249 (i) that the annexation described in Subsection (3)(a) will result in an enactment,
250 repeal, or change in the rate of a tax under this part for the annexing area;

251 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);

252 (iii) the effective date of the tax described in Subsection (3)(b)(i); and

253 (iv) if the city or town enacts the tax or changes the rate of the tax described in

254 Subsection (3)(b)(i), the rate of the tax.

255 (c) (i) ~~[The]~~ If the billing period for a transaction begins before the effective date of the
 256 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or
 257 59-12-402.1, the enactment of [a] the tax or [a] the tax rate increase takes effect on the first day
 258 of the first billing period[:(A)] that begins on or after the effective date of the enactment of the
 259 tax or the tax rate increase[; and].

260 ~~[(B) if the billing period for the transaction begins before the effective date of the~~
 261 ~~enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or~~
 262 ~~59-12-402.1.]~~

263 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
 264 statement for the billing period is ~~[rendered]~~ produced on or after the effective date of the
 265 repeal of the tax or the tax rate decrease imposed under Section 59-12-401, 59-12-402, or
 266 59-12-402.1.

267 (d) (i) ~~[Notwithstanding Subsection (3)(a), if]~~ If a tax due under this chapter on a
 268 catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an
 269 enactment, repeal, or change in the rate of a tax described in Subsection (3)(a) takes effect:

270 (A) on the first day of a calendar quarter; and

271 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
 272 rate of the tax under Subsection (3)(a).

273 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 274 commission may by rule define the term "catalogue sale."

275 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be
 276 administered, collected, and enforced in accordance with:

277 (i) the same procedures used to administer, collect, and enforce the tax under:

278 (A) Part 1, Tax Collection; or

279 (B) Part 2, Local Sales and Use Tax Act; and

280 (ii) Chapter 1, General Taxation Policies.

281 (b) ~~[Notwithstanding Subsection (4)(a), a]~~ A tax under this part is not subject to

282 Subsections 59-12-205(2) through [(6)] (7).

283 (5) The commission shall retain and deposit an administrative charge in accordance
284 with Section 59-1-306 from the [revenues] revenue the commission collects from a tax under
285 this part.

286 Section 5. Section 59-12-603 is amended to read:

287 **59-12-603. County tax -- Bases -- Rates -- Use of revenue -- Adoption of ordinance**
288 **required -- Advisory board -- Administration -- Collection -- Administrative charge --**
289 **Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice**
290 **requirements.**

291 (1) (a) In addition to any other taxes, a county legislative body may, as provided in this
292 part, impose a tax as follows:

293 (i) (A) a county legislative body of any county may impose a tax of not to exceed 3%
294 on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases
295 and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor
296 vehicle that is being repaired pursuant to a repair or an insurance agreement; and

297 (B) beginning on or after January 1, 1999, a county legislative body of any county
298 imposing a tax under Subsection (1)(a)(i)(A) may, in addition to imposing the tax under
299 Subsection (1)(a)(i)(A), impose a tax of not to exceed 4% on all short-term leases and rentals
300 of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made
301 for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant
302 to a repair or an insurance agreement;

303 (ii) a county legislative body of any county may impose a tax of not to exceed 1% of all
304 sales of the following that are sold by a restaurant:

305 (A) alcoholic beverages;

306 (B) food and food ingredients; or

307 (C) prepared food; and

308 (iii) a county legislative body of a county of the first class may impose a tax of not to
309 exceed .5% on charges for the accommodations and services described in Subsection

310 59-12-103(1)(i).

311 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section
312 17-31-5.5.

313 (2) (a) Subject to Subsection (2)(b), revenue from the imposition of the taxes provided
314 for in Subsections (1)(a)(i) through (iii) may be used for:

315 (i) financing tourism promotion; and

316 (ii) the development, operation, and maintenance of:

317 (A) an airport facility;

318 (B) a convention facility;

319 (C) a cultural facility;

320 (D) a recreation facility; or

321 (E) a tourist facility.

322 (b) A county of the first class shall expend at least \$450,000 each year of the

323 [~~revenues~~] revenue from the imposition of a tax authorized by Subsection (1)(a)(iii) within the
324 county to fund a marketing and ticketing system designed to:

325 (i) promote tourism in ski areas within the county by persons that do not reside within
326 the state; and

327 (ii) combine the sale of:

328 (A) ski lift tickets; and

329 (B) accommodations and services described in Subsection 59-12-103(1)(i).

330 (3) A tax imposed under this part may be pledged as security for bonds, notes, or other
331 evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14, Local
332 Government Bonding Act, or a community development and renewal agency under Title 17C,
333 Chapter 1, Part 5, Agency Bonds, to finance:

334 (a) an airport facility;

335 (b) a convention facility;

336 (c) a cultural facility;

337 (d) a recreation facility; or

338 (e) a tourist facility.

339 (4) (a) ~~[In order to]~~ To impose the tax under Subsection (1), each county legislative
340 body shall adopt an ordinance imposing the tax.

341 (b) The ordinance under Subsection (4)(a) shall include provisions substantially the
342 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on
343 those items and sales described in Subsection (1).

344 (c) The name of the county as the taxing agency shall be substituted for that of the state
345 where necessary, and an additional license is not required if one has been or is issued under
346 Section [59-12-106](#).

347 (5) ~~[In order to]~~ To maintain in effect its tax ordinance adopted under this part, each
348 county legislative body shall, within 30 days of any amendment of any applicable provisions of
349 Part 1, Tax Collection, adopt amendments to its tax ordinance to conform with the applicable
350 amendments to Part 1, Tax Collection.

351 (6) (a) Regardless of whether a county of the first class creates a tourism tax advisory
352 board in accordance with Section [17-31-8](#), the county legislative body of the county of the first
353 class shall create a tax advisory board in accordance with this Subsection (6).

354 (b) The tax advisory board shall be composed of nine members appointed as follows:

355 (i) four members shall be appointed by the county legislative body of the county of the
356 first class as follows:

357 (A) one member shall be a resident of the unincorporated area of the county;

358 (B) two members shall be residents of the incorporated area of the county; and

359 (C) one member shall be a resident of the unincorporated or incorporated area of the
360 county; and

361 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or
362 towns within the county of the first class appointed by an organization representing all mayors
363 of cities and towns within the county of the first class.

364 (c) Five members of the tax advisory board constitute a quorum.

365 (d) The county legislative body of the county of the first class shall determine:

- 366 (i) terms of the members of the tax advisory board;
- 367 (ii) procedures and requirements for removing a member of the tax advisory board;
- 368 (iii) voting requirements, except that action of the tax advisory board shall be by at
369 least a majority vote of a quorum of the tax advisory board;
- 370 (iv) chairs or other officers of the tax advisory board;
- 371 (v) how meetings are to be called and the frequency of meetings; and
- 372 (vi) the compensation, if any, of members of the tax advisory board.
- 373 (e) The tax advisory board under this Subsection (6) shall advise the county legislative
374 body of the county of the first class on the expenditure of [~~revenues~~] revenue collected within
375 the county of the first class from the taxes described in Subsection (1)(a).
- 376 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part
377 shall be administered, collected, and enforced in accordance with:
 - 378 (A) the same procedures used to administer, collect, and enforce the tax under:
 - 379 (I) Part 1, Tax Collection; or
 - 380 (II) Part 2, Local Sales and Use Tax Act; and
 - 381 (B) Chapter 1, General Taxation Policies.
 - 382 (ii) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or
383 Subsections [59-12-205\(2\)](#) through [~~(6)~~] (7).
- 384 (b) Except as provided in Subsection (7)(c):
 - 385 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the
386 commission shall distribute the [~~revenues~~] revenue to the county imposing the tax; and
 - 387 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the
388 [~~revenues~~] revenue according to the distribution formula provided in Subsection (8).
- 389 (c) The commission shall retain and deposit an administrative charge in accordance
390 with Section [59-1-306](#) from the [~~revenues~~] revenue the commission collects from a tax under
391 this part.
- 392 (8) The commission shall distribute the [~~revenues~~] revenue generated by the tax under
393 Subsection (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according

394 to the following formula:

395 (a) the commission shall distribute 70% of the [revenues] revenue based on the
396 percentages generated by dividing the [revenues] revenue collected by each county under
397 Subsection (1)(a)(i)(B) by the total [revenues] revenue collected by all counties under
398 Subsection (1)(a)(i)(B); and

399 (b) the commission shall distribute 30% of the [revenues] revenue based on the
400 percentages generated by dividing the population of each county collecting a tax under
401 Subsection (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection
402 (1)(a)(i)(B).

403 (9) (a) For purposes of this Subsection (9):

404 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
405 County Annexation.

406 (ii) "Annexing area" means an area that is annexed into a county.

407 (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county
408 enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or
409 change shall take effect:

410 (A) on the first day of a calendar quarter; and

411 (B) after a 90-day period beginning on the date the commission receives notice meeting
412 the requirements of Subsection (9)(b)(ii) from the county.

413 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:

414 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;

415 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

416 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and

417 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
418 (9)(b)(ii)(A), the rate of the tax.

419 (c) (i) [~~The~~] If the billing period for a transaction begins before the effective date of the
420 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of [a]
421 the tax or [a] the tax rate increase shall take effect on the first day of the first billing period[:

422 (A)] that begins after the effective date of the enactment of the tax or the tax rate increase[;
423 and].

424 [~~(B) if the billing period for the transaction begins before the effective date of the~~
425 ~~enactment of the tax or the tax rate increase imposed under Subsection (1).~~]

426 (ii) [~~The~~] If the billing period for a transaction begins before the effective date of the
427 repeal of the tax or the tax rate decrease imposed under Subsection (1), the repeal of [a] the tax
428 or [a] the tax rate decrease shall take effect on the first day of the last billing period[:(A)] that
429 began before the effective date of the repeal of the tax or the tax rate decrease[; and].

430 [~~(B) if the billing period for the transaction begins before the effective date of the~~
431 ~~repeal of the tax or the tax rate decrease imposed under Subsection (1).~~]

432 (d) (i) Except as provided in Subsection (9)(e), if, for an annexation that occurs on or
433 after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a
434 tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

435 (A) on the first day of a calendar quarter; and

436 (B) after a 90-day period beginning on the date the commission receives notice meeting
437 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

438 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:

439 (A) that the annexation described in Subsection (9)(d)(i) will result in an enactment,
440 repeal, or change in the rate of a tax under this part for the annexing area;

441 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

442 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

443 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
444 (9)(d)(ii)(A), the rate of the tax.

445 (e) (i) [~~The~~] If the billing period for a transaction begins before the effective date of the
446 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of [a]

447 the tax or [a] the tax rate increase shall take effect on the first day of the first billing period[:

448 ~~(A)] that begins after the effective date of the enactment of the tax or the tax rate increase[;~~

449 ~~and].~~

450 ~~[(B) if the billing period for the transaction begins before the effective date of the~~
451 ~~enactment of the tax or the tax rate increase imposed under Subsection (1).]~~

452 (ii) [(The) If the billing period for a transaction begins before the effective date of the
453 repeal of the tax or the tax rate decrease imposed under Subsection (1), the repeal of [a] the tax
454 or [a] the tax rate decrease shall take effect on the first day of the last billing period[:(A)] that
455 began before the effective date of the repeal of the tax or the tax rate decrease[; and].

456 ~~[(B) if the billing period for the transaction begins before the effective date of the~~
457 ~~repeal of the tax or the tax rate decrease imposed under Subsection (1).]~~

458 Section 6. Section **59-12-703** is amended to read:

459 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**
460 **Expenditure of revenue -- Administration -- Enactment or repeal of tax -- Effective date**
461 **-- Notice requirements.**

462 (1) (a) Subject to the other provisions of this section, a county legislative body may
463 submit an opinion question to the residents of that county, by majority vote of all members of
464 the legislative body, so that each resident of the county, except residents in municipalities that
465 have already imposed a sales and use tax under Part 14, City or Town Option Funding for
466 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an
467 opportunity to express the resident's opinion on the imposition of a local sales and use tax of
468 .1% on the transactions described in Subsection **59-12-103(1)** located within the county, to:

469 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
470 organizations, cultural organizations, and zoological organizations, and rural radio stations, in
471 that county; or

472 (ii) provide funding for a botanical organization, cultural organization, or zoological
473 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
474 furtherance of the botanical organization's, cultural organization's, or zoological organization's
475 primary purpose.

476 (b) The opinion question required by this section shall state:

477 "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and

478 use tax for (list the purposes for which the ~~[revenues]~~ revenue collected from the sales and use
479 tax shall be expended)?"

480 (c) ~~[Notwithstanding Subsection (1)(a), a]~~ A county legislative body may not impose a
481 tax under this section on:

482 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
483 are exempt from taxation under Section 59-12-104;

484 (ii) sales and uses within ~~[municipalities that have]~~ a municipality that has already
485 imposed a sales and use tax under Part 14, City or Town Option Funding for Botanical,
486 Cultural, Recreational, and Zoological Organizations or Facilities; and

487 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
488 food ingredients.

489 (d) For purposes of this Subsection (1), the location of a transaction shall be
490 determined in accordance with Sections 59-12-211 through 59-12-215.

491 (e) A county legislative body imposing a tax under this section shall impose the tax on
492 amounts paid or charged for food and food ingredients if the food and food ingredients are sold
493 as part of a bundled transaction attributable to food and food ingredients and tangible personal
494 property other than food and food ingredients.

495 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local
496 Government Bonding Act.

497 (2) (a) If the county legislative body determines that a majority of the county's
498 registered voters voting on the imposition of the tax have voted in favor of the imposition of
499 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a
500 majority vote of all members of the legislative body on the transactions:

501 (i) described in Subsection (1); and

502 (ii) within the county, including the cities and towns located in the county, except those
503 cities and towns that have already imposed a sales and use tax under Part 14, City or Town
504 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
505 Facilities.

506 (b) A county legislative body may revise county ordinances to reflect statutory changes
507 to the distribution formula or eligible recipients of [~~revenues~~] revenue generated from a tax
508 imposed under Subsection (2)(a):

509 (i) after the county legislative body submits an opinion question to residents of the
510 county in accordance with Subsection (1) giving them the opportunity to express their opinion
511 on the proposed revisions to county ordinances; and

512 (ii) if the county legislative body determines that a majority of those voting on the
513 opinion question have voted in favor of the revisions.

514 (3) Subject to Section 59-12-704, [~~revenues~~] revenue collected from a tax imposed
515 under Subsection (2) shall be expended:

516 (a) to fund cultural facilities, recreational facilities, and zoological facilities located
517 within the county or a city or town located in the county, except a city or town that has already
518 imposed a sales and use tax under Part 14, City or Town Option Funding for Botanical,
519 Cultural, Recreational, and Zoological Organizations or Facilities;

520 (b) to fund ongoing operating expenses of:

521 (i) recreational facilities described in Subsection (3)(a);

522 (ii) botanical organizations, cultural organizations, and zoological organizations within
523 the county; and

524 (iii) rural radio stations within the county; and

525 (c) as stated in the opinion question described in Subsection (1).

526 (4) (a) A tax authorized under this part shall be:

527 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
528 accordance with:

529 (A) the same procedures used to administer, collect, and enforce the tax under:

530 (I) Part 1, Tax Collection; or

531 (II) Part 2, Local Sales and Use Tax Act; and

532 (B) Chapter 1, General Taxation Policies; and

533 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year

534 period in accordance with this section.

535 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~[(6)]~~ (7).

536 (5) (a) For purposes of this Subsection (5):

537 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
538 County Annexation.

539 (ii) "Annexing area" means an area that is annexed into a county.

540 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
541 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

542 (A) on the first day of a calendar quarter; and

543 (B) after a 90-day period beginning on the date the commission receives notice meeting
544 the requirements of Subsection (5)(b)(ii) from the county.

545 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

546 (A) that the county will enact or repeal a tax under this part;

547 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

548 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

549 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the
550 tax.

551 (c) (i) ~~[The]~~ If the billing period for a transaction begins before the effective date of the
552 enactment of the tax under this section, the enactment of ~~[a]~~ the tax takes effect on the first day
553 of the first billing period~~[-(A)]~~ that begins on or after the effective date of the enactment of the
554 tax~~[-and]~~.

555 ~~[(B) if the billing period for the transaction begins before the effective date of the~~
556 ~~enactment of the tax under this section.]~~

557 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
558 period is ~~[rendered]~~ produced on or after the effective date of the repeal of the tax imposed
559 under this section.

560 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
561 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in

562 Subsection (5)(b)(i) takes effect:

563 (A) on the first day of a calendar quarter; and

564 (B) beginning 60 days after the effective date of the enactment or repeal under

565 Subsection (5)(b)(i).

566 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
567 commission may by rule define the term "catalogue sale."

568 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
569 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
570 part for an annexing area, the enactment or repeal shall take effect:

571 (A) on the first day of a calendar quarter; and

572 (B) after a 90-day period beginning on the date the commission receives notice meeting
573 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

574 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

575 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
576 repeal of a tax under this part for the annexing area;

577 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

578 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

579 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

580 (f) (i) ~~[The]~~ If the billing period for a transaction begins before the effective date of the
581 enactment of the tax under this section, the enactment of [a] the tax takes effect on the first day
582 of the first billing period~~[: (A)]~~ that begins on or after the effective date of the enactment of the
583 tax~~[: and]~~.

584 ~~[(B) if the billing period for the transaction begins before the effective date of the~~
585 ~~enactment of the tax under this section.]~~

586 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
587 period is rendered on or after the effective date of the repeal of the tax imposed under this
588 section.

589 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

590 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
591 Subsection (5)(e)(i) takes effect:

592 (A) on the first day of a calendar quarter; and

593 (B) beginning 60 days after the effective date of the enactment or repeal under
594 Subsection (5)(e)(i).

595 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
596 commission may by rule define the term "catalogue sale."

597 Section 7. Section **59-12-802** is amended to read:

598 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**
599 **tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**
600 **Administrative charge.**

601 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class
602 may impose a sales and use tax of up to 1% on the transactions described in Subsection
603 [59-12-103](#)(1) located within the county.

604 (b) Subject to Subsection (3), the money collected from a tax under this section may be
605 used to fund:

606 (i) for a county of the third or fourth class, rural county health care facilities in that
607 county; or

608 (ii) for a county of the fifth or sixth class:

609 (A) rural emergency medical services in that county;

610 (B) federally qualified health centers in that county;

611 (C) freestanding urgent care centers in that county;

612 (D) rural county health care facilities in that county;

613 (E) rural health clinics in that county; or

614 (F) a combination of Subsections (1)(b)(ii)(A) through (E).

615 (c) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax
616 under this section on:

617 (i) the sales and uses described in Section [59-12-104](#) to the extent the sales and uses

618 are exempt from taxation under Section 59-12-104;

619 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in
620 a city that imposes a tax under Section 59-12-804; and

621 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
622 food ingredients.

623 (d) For purposes of this Subsection (1), the location of a transaction shall be
624 determined in accordance with Sections 59-12-211 through 59-12-215.

625 (e) A county legislative body imposing a tax under this section shall impose the tax on
626 amounts paid or charged for food and food ingredients if the food and food ingredients are sold
627 as part of a bundled transaction attributable to food and food ingredients and tangible personal
628 property other than food and food ingredients.

629 (2) (a) Before imposing a tax under Subsection (1), a county legislative body shall
630 obtain approval to impose the tax from a majority of the:

631 (i) members of the county's legislative body; and

632 (ii) county's registered voters voting on the imposition of the tax.

633 (b) The county legislative body shall conduct the election according to the procedures
634 and requirements of Title 11, Chapter 14, Local Government Bonding Act.

635 (3) (a) The money collected from a tax imposed under Subsection (1) by a county
636 legislative body of a county of the third or fourth class may only be used for the financing of:

637 (i) ongoing operating expenses of a rural county health care facility within that county;

638 (ii) the acquisition of land for a rural county health care facility within that county; or

639 (iii) the design, construction, equipping, or furnishing of a rural county health care
640 facility within that county.

641 (b) The money collected from a tax imposed under Subsection (1) by a county of the
642 fifth or sixth class may only be used to fund:

643 (i) ongoing operating expenses of a center, clinic, or facility described in Subsection
644 (1)(b)(ii) within that county;

645 (ii) the acquisition of land for a center, clinic, or facility described in Subsection

646 (1)(b)(ii) within that county;

647 (iii) the design, construction, equipping, or furnishing of a center, clinic, or facility
648 described in Subsection (1)(b)(ii) within that county; or

649 (iv) rural emergency medical services within that county.

650 (4) (a) A tax under this section shall be:

651 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
652 accordance with:

653 (A) the same procedures used to administer, collect, and enforce the tax under:

654 (I) Part 1, Tax Collection; or

655 (II) Part 2, Local Sales and Use Tax Act; and

656 (B) Chapter 1, General Taxation Policies; and

657 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
658 period by the county legislative body as provided in Subsection (1).

659 (b) [~~Notwithstanding Subsection (4)(a)(i), a~~] A tax under this section is not subject to
660 Subsections 59-12-205(2) through [~~(6)~~] (7).

661 (c) A county legislative body shall distribute money collected from a tax under this
662 section quarterly.

663 (5) The commission shall retain and deposit an administrative charge in accordance
664 with Section 59-1-306 from the [~~revenues~~] revenue the commission collects from a tax under
665 this section.

666 Section 8. Section **59-12-804** is amended to read:

667 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**
668 **collection, and enforcement of tax -- Administrative charge.**

669 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

670 (i) on the transactions described in Subsection 59-12-103(1) located within the city;

671 and

672 (ii) to fund rural city hospitals in that city.

673 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax

674 under this section on:

675 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
676 are exempt from taxation under Section 59-12-104; and

677 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food
678 ingredients.

679 (c) For purposes of this Subsection (1), the location of a transaction shall be
680 determined in accordance with Sections 59-12-211 through 59-12-215.

681 (d) A city legislative body imposing a tax under this section shall impose the tax on
682 amounts paid or charged for food and food ingredients if the food and food ingredients are sold
683 as part of a bundled transaction attributable to food and food ingredients and tangible personal
684 property other than food and food ingredients.

685 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall
686 obtain approval to impose the tax from a majority of the:

687 (i) members of the city legislative body; and

688 (ii) city's registered voters voting on the imposition of the tax.

689 (b) The city legislative body shall conduct the election according to the procedures and
690 requirements of Title 11, Chapter 14, Local Government Bonding Act.

691 (3) The money collected from a tax imposed under Subsection (1) may only be used to
692 fund:

693 (a) ongoing operating expenses of a rural city hospital;

694 (b) the acquisition of land for a rural city hospital; or

695 (c) the design, construction, equipping, or furnishing of a rural city hospital.

696 (4) (a) A tax under this section shall be:

697 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
698 accordance with:

699 (A) the same procedures used to administer, collect, and enforce the tax under:

700 (I) Part 1, Tax Collection; or

701 (II) Part 2, Local Sales and Use Tax Act; and

702 (B) Chapter 1, General Taxation Policies; and
 703 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
 704 period by the city legislative body as provided in Subsection (1).

705 (b) [~~Notwithstanding Subsection (4)(a)(i), a~~] A tax under this section is not subject to
 706 Subsections 59-12-205(2) through [~~(6)~~] (7).

707 (5) The commission shall retain and deposit an administrative charge in accordance
 708 with Section 59-1-306 from the [~~revenues~~] revenue the commission collects from a tax under
 709 this section.

710 Section 9. Section 59-12-1102 is amended to read:

711 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**
 712 **Administration -- Administrative charge -- Commission requirement to retain an amount**
 713 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
 714 **of tax -- Effective date -- Notice requirements.**

715 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax
 716 authorized by this chapter, a county may impose by ordinance a county option sales and use tax
 717 of .25% upon the transactions described in Subsection 59-12-103(1).

718 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
 719 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
 720 exempt from taxation under Section 59-12-104.

721 (b) For purposes of this Subsection (1), the location of a transaction shall be
 722 determined in accordance with Sections 59-12-211 through 59-12-215.

723 (c) The county option sales and use tax under this section shall be imposed:

724 (i) upon transactions that are located within the county, including transactions that are
 725 located within municipalities in the county; and

726 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of
 727 January:

728 (A) of the next calendar year after adoption of the ordinance imposing the tax if the
 729 ordinance is adopted on or before May 25; or

730 (B) of the second calendar year after adoption of the ordinance imposing the tax if the
731 ordinance is adopted after May 25.

732 (d) [~~Notwithstanding Subsection (1)(c)(ii), the~~] The county option sales and use tax
733 under this section shall be imposed:

734 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
735 September 4, 1997; or

736 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997
737 but after September 4, 1997.

738 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a
739 county shall hold two public hearings on separate days in geographically diverse locations in
740 the county.

741 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting
742 time of no earlier than 6 p.m.

743 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven
744 days after the day the first advertisement required by Subsection (2)(c) is published.

745 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county
746 shall advertise:

747 (A) its intent to adopt a county option sales and use tax;

748 (B) the date, time, and location of each public hearing; and

749 (C) a statement that the purpose of each public hearing is to obtain public comments
750 regarding the proposed tax.

751 (ii) The advertisement shall be published:

752 (A) in a newspaper of general circulation in the county once each week for the two
753 weeks preceding the earlier of the two public hearings; and

754 (B) on the Utah Public Notice Website created in Section [63F-1-701](#), for two weeks
755 preceding the earlier of the two public hearings.

756 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
757 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch

758 border.

759 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
760 portion of the newspaper where legal notices and classified advertisements appear.

761 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

762 (A) the advertisement shall appear in a newspaper that is published at least five days a
763 week, unless the only newspaper in the county is published less than five days a week; and

764 (B) the newspaper selected shall be one of general interest and readership in the
765 community, and not one of limited subject matter.

766 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
767 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
768 6, Local Referenda - Procedures.

769 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a
770 county option sales and use tax under Subsection (1) is less than 75% of the state population,
771 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
772 collected.

773 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a
774 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state
775 population:

776 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to
777 the county in which the tax was collected; and

778 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection
779 (1) in each county shall be distributed proportionately among all counties imposing the tax,
780 based on the total population of each county.

781 (c) Except as provided in Subsection (5), the amount to be distributed annually to a
782 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county
783 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

784 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall
785 be increased so that, when combined with the amount distributed to the county under

786 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and
787 (ii) the amount to be distributed annually to all other counties under Subsection
788 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under
789 Subsection (3)(c)(i).

790 (d) The commission shall establish rules to implement the distribution of the tax under
791 Subsections (3)(a), (b), and (c).

792 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part
793 shall be administered, collected, and enforced in accordance with:

794 (i) the same procedures used to administer, collect, and enforce the tax under:
795 (A) Part 1, Tax Collection; or
796 (B) Part 2, Local Sales and Use Tax Act; and
797 (ii) Chapter 1, General Taxation Policies.

798 (b) [~~Notwithstanding Subsection (4)(a), a~~] A tax under this part is not subject to
799 Subsections ~~59-12-205~~(2) through [~~(6)~~] (7).

800 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an
801 administrative charge in accordance with Section ~~59-1-306~~ from the [~~revenues~~] revenue the
802 commission collects from a tax under this part.

803 (ii) Notwithstanding Section ~~59-1-306~~, the administrative charge described in
804 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section ~~59-1-306~~ of
805 the distribution amounts resulting after:

806 (A) the applicable distribution calculations under Subsection (3) have been made; and
807 (B) the commission retains the amount required by Subsection (5).

808 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion
809 of the sales and use tax collected under this part as provided in this Subsection (5).

810 (b) For a county that imposes a tax under this part, the commission shall calculate a
811 percentage each month by dividing the sales and use tax collected under this part for that
812 month within the boundaries of that county by the total sales and use tax collected under this
813 part for that month within the boundaries of all of the counties that impose a tax under this part.

814 (c) For a county that imposes a tax under this part, the commission shall retain each
815 month an amount equal to the product of:

816 (i) the percentage the commission determines for the month under Subsection (5)(b)
817 for the county; and

818 (ii) \$6,354.

819 (d) The commission shall deposit an amount the commission retains in accordance
820 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
821 35A-8-1009.

822 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
823 Fund shall be expended as provided in Section 35A-8-1009.

824 (6) (a) For purposes of this Subsection (6):

825 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County
826 Consolidations and Annexations.

827 (ii) "Annexing area" means an area that is annexed into a county.

828 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a
829 county enacts or repeals a tax under this part:

830 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

831 (II) the repeal shall take effect on the first day of a calendar quarter; and

832 (B) after a 90-day period beginning on the date the commission receives notice meeting
833 the requirements of Subsection (6)(b)(ii) from the county.

834 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

835 (A) that the county will enact or repeal a tax under this part;

836 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

837 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

838 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the
839 tax.

840 (c) (i) [~~The~~] If the billing period for a transaction begins before the effective date of the
841 enactment of the tax under Subsection (1), the enactment of [a] the tax takes effect on the first

842 day of the first billing period[~~-(A)~~] that begins on or after the effective date of the enactment of
843 the tax[~~;~~and].

844 [~~(B) if the billing period for the transaction begins before the effective date of the~~
845 ~~enactment of the tax under Subsection (1).~~]

846 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
847 period is [~~rendered~~] produced on or after the effective date of the repeal of the tax imposed
848 under Subsection (1).

849 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
850 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
851 Subsection (6)(b)(i) takes effect:

852 (A) on the first day of a calendar quarter; and

853 (B) beginning 60 days after the effective date of the enactment or repeal under
854 Subsection (6)(b)(i).

855 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
856 commission may by rule define the term "catalogue sale."

857 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs
858 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
859 part for an annexing area, the enactment or repeal shall take effect:

860 (A) on the first day of a calendar quarter; and

861 (B) after a 90-day period beginning on the date the commission receives notice meeting
862 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

863 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

864 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
865 repeal of a tax under this part for the annexing area;

866 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

867 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

868 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

869 (f) (i) [~~The~~] If the billing period for a transaction begins before the effective date of the

870 enactment of the tax under Subsection (1), the enactment of [a] the tax takes effect on the first
871 day of the first billing period[:(A)] that begins on or after the effective date of the enactment of
872 the tax[; and].

873 ~~[(B) if the billing period for the transaction begins before the effective date of the~~
874 ~~enactment of the tax under Subsection (1).]~~

875 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
876 period is [~~rendered~~] produced on or after the effective date of the repeal of the tax imposed
877 under Subsection (1).

878 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
879 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
880 Subsection (6)(e)(i) takes effect:

881 (A) on the first day of a calendar quarter; and

882 (B) beginning 60 days after the effective date of the enactment or repeal under
883 Subsection (6)(e)(i).

884 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
885 commission may by rule define the term "catalogue sale."

886 Section 10. Section **59-12-1302** is amended to read:

887 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
888 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
889 **enforcement of tax -- Administrative charge.**

890 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a
891 tax as provided in this part in an amount that does not exceed 1%.

892 (2) A town may impose a tax as provided in this part if the town imposed a license fee
893 or tax on businesses based on gross receipts under Section **10-1-203** on or before January 1,
894 1996.

895 (3) A town imposing a tax under this section shall:

896 (a) except as provided in Subsection (4), impose the tax on the transactions described
897 in Subsection **59-12-103**(1) located within the town; and

898 (b) provide an effective date for the tax as provided in Subsection (5).

899 (4) (a) [~~Notwithstanding Subsection (3)(a), a~~] A town may not impose a tax under this
900 section on:

901 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
902 are exempt from taxation under Section 59-12-104; and

903 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food
904 ingredients.

905 (b) For purposes of this Subsection (4), the location of a transaction shall be
906 determined in accordance with Sections 59-12-211 through 59-12-215.

907 (c) A town imposing a tax under this section shall impose the tax on amounts paid or
908 charged for food and food ingredients if the food and food ingredients are sold as part of a
909 bundled transaction attributable to food and food ingredients and tangible personal property
910 other than food and food ingredients.

911 (5) (a) For purposes of this Subsection (5):

912 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,
913 Annexation.

914 (ii) "Annexing area" means an area that is annexed into a town.

915 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
916 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,
917 or change shall take effect:

918 (A) on the first day of a calendar quarter; and

919 (B) after a 90-day period beginning on the date the commission receives notice meeting
920 the requirements of Subsection (5)(b)(ii) from the town.

921 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

922 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

923 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

924 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

925 (D) if the town enacts the tax or changes the rate of the tax described in Subsection

926 (5)(b)(ii)(A), the rate of the tax.

927 (c) (i) ~~[The]~~ If the billing period for the transaction begins before the effective date of
928 the enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment
929 of [a] the tax or [a] the tax rate increase takes effect on the first day of the first billing period[;
930 ~~(A)]~~ that begins on or after the effective date of the enactment of the tax or the tax rate
931 increase~~;~~ and.

932 ~~[(B) if the billing period for the transaction begins before the effective date of the~~
933 ~~enactment of the tax or the tax rate increase imposed under Subsection (1).]~~

934 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
935 statement for the billing period is ~~[rendered]~~ produced on or after the effective date of the
936 repeal of the tax or the tax rate decrease imposed under Subsection (1).

937 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
938 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
939 a tax described in Subsection (5)(b)(i) takes effect:

940 (A) on the first day of a calendar quarter; and

941 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
942 rate of the tax under Subsection (5)(b)(i).

943 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
944 commission may by rule define the term "catalogue sale."

945 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
946 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
947 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
948 effect:

949 (A) on the first day of a calendar quarter; and

950 (B) after a 90-day period beginning on the date the commission receives notice meeting
951 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

952 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

953 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,

954 repeal, or change in the rate of a tax under this part for the annexing area;

955 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

956 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

957 (D) if the town enacts the tax or changes the rate of the tax described in Subsection

958 (5)(e)(ii)(A), the rate of the tax.

959 (f) (i) ~~[The]~~ If the billing period for a transaction begins before the effective date of the

960 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of [a]

961 the tax or [a] the tax rate increase takes effect on the first day of the first billing period[:(A)]

962 that begins on or after the effective date of the enactment of the tax or the tax rate increase[;

963 and].

964 ~~[(B) if the billing period for the transaction begins before the effective date of the~~

965 ~~enactment of the tax or the tax rate increase imposed under Subsection (1).]~~

966 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing

967 statement for the billing period is ~~[rendered]~~ produced on or after the effective date of the

968 repeal of the tax or the tax rate decrease imposed under Subsection (1).

969 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

970 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of

971 a tax described in Subsection (5)(e)(i) takes effect:

972 (A) on the first day of a calendar quarter; and

973 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the

974 rate of the tax under Subsection (5)(e)(i).

975 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

976 commission may by rule define the term "catalogue sale."

977 (6) The commission shall:

978 (a) distribute the ~~[revenues]~~ revenue generated by the tax under this section to the town

979 imposing the tax; and

980 (b) except as provided in Subsection (8), administer, collect, and enforce the tax

981 authorized under this section in accordance with:

982 (i) the same procedures used to administer, collect, and enforce the tax under:
 983 (A) Part 1, Tax Collection; or
 984 (B) Part 2, Local Sales and Use Tax Act; and
 985 (ii) Chapter 1, General Taxation Policies.
 986 (7) The commission shall retain and deposit an administrative charge in accordance
 987 with Section 59-1-306 from the [revenues] revenue the commission collects from a tax under
 988 this part.

989 (8) [~~Notwithstanding Subsection (6)(b), a~~] A tax under this section is not subject to
 990 Subsections 59-12-205(2) through [~~(6)~~] (7).

991 Section 11. Section 59-12-1402 is amended to read:

992 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**
 993 **Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice**
 994 **requirements.**

995 (1) (a) Subject to the other provisions of this section, a city or town legislative body
 996 subject to this part may submit an opinion question to the residents of that city or town, by
 997 majority vote of all members of the legislative body, so that each resident of the city or town
 998 has an opportunity to express the resident's opinion on the imposition of a local sales and use
 999 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or
 1000 town, to:

1001 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical
 1002 organizations, cultural organizations, and zoological organizations in that city or town; or

1003 (ii) provide funding for a botanical organization, cultural organization, or zoological
 1004 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
 1005 furtherance of the botanical organization's, cultural organization's, or zoological organization's
 1006 primary purpose.

1007 (b) The opinion question required by this section shall state:

1008 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales
 1009 and use tax for (list the purposes for which the [revenues] revenue collected from the sales and

1010 use tax shall be expended)?"

1011 (c) ~~[Notwithstanding Subsection (1)(a), a]~~ A city or town legislative body may not
1012 impose a tax under this section:

1013 (i) if the county in which the city or town is located imposes a tax under Part 7, County
1014 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
1015 Facilities;

1016 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and
1017 uses are exempt from taxation under Section 59-12-104; and

1018 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and
1019 food ingredients.

1020 (d) For purposes of this Subsection (1), the location of a transaction shall be
1021 determined in accordance with Sections 59-12-211 through 59-12-215.

1022 (e) A city or town legislative body imposing a tax under this section shall impose the
1023 tax on amounts paid or charged for food and food ingredients if the food and food ingredients
1024 are sold as part of a bundled transaction attributable to food and food ingredients and tangible
1025 personal property other than food and food ingredients.

1026 (f) Except as provided in Subsection (6), the election shall be held at a regular general
1027 election or a municipal general election, as those terms are defined in Section 20A-1-102, and
1028 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.

1029 (2) If the city or town legislative body determines that a majority of the city's or town's
1030 registered voters voting on the imposition of the tax have voted in favor of the imposition of
1031 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by
1032 a majority vote of all members of the legislative body.

1033 (3) Subject to Section 59-12-1403, ~~[revenues]~~ revenue collected from a tax imposed
1034 under Subsection (2) shall be expended:

1035 (a) to finance cultural facilities, recreational facilities, and zoological facilities within
1036 the city or town or within the geographic area of entities that are parties to an interlocal
1037 agreement, to which the city or town is a party, providing for cultural facilities, recreational

1038 facilities, or zoological facilities;

1039 (b) to finance ongoing operating expenses of:

1040 (i) recreational facilities described in Subsection (3)(a) within the city or town or
1041 within the geographic area of entities that are parties to an interlocal agreement, to which the
1042 city or town is a party, providing for recreational facilities; or

1043 (ii) botanical organizations, cultural organizations, and zoological organizations within
1044 the city or town or within the geographic area of entities that are parties to an interlocal
1045 agreement, to which the city or town is a party, providing for the support of botanical
1046 organizations, cultural organizations, or zoological organizations; and

1047 (c) as stated in the opinion question described in Subsection (1).

1048 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall
1049 be:

1050 (i) administered, collected, and enforced in accordance with:

1051 (A) the same procedures used to administer, collect, and enforce the tax under:

1052 (I) Part 1, Tax Collection; or

1053 (II) Part 2, Local Sales and Use Tax Act; and

1054 (B) Chapter 1, General Taxation Policies; and

1055 (ii) (A) levied for a period of eight years; and

1056 (B) may be reauthorized at the end of the eight-year period in accordance with this
1057 section.

1058 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the
1059 tax shall be levied for a period of 10 years.

1060 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or
1061 after July 1, 2011, the tax shall be reauthorized for a ten-year period.

1062 (c) A tax under this section is not subject to Subsections 59-12-205(2) through ~~[(6)]~~
1063 (7).

1064 (5) (a) For purposes of this Subsection (5):

1065 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part

1066 4, Annexation.

1067 (ii) "Annexing area" means an area that is annexed into a city or town.

1068 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city

1069 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:

1070 (A) on the first day of a calendar quarter; and

1071 (B) after a 90-day period beginning on the date the commission receives notice meeting

1072 the requirements of Subsection (5)(b)(ii) from the city or town.

1073 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1074 (A) that the city or town will enact or repeal a tax under this part;

1075 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1076 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1077 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of

1078 the tax.

1079 (c) (i) ~~[The]~~ If the billing period for a transaction begins before the effective date of the

1080 enactment of the tax under this section, the enactment of [a] the tax takes effect on the first day

1081 of the first billing period~~[-(A)]~~ that begins on or after the effective date of the enactment of the

1082 tax~~[-and]~~.

1083 ~~[(B) if the billing period for the transaction begins before the effective date of the~~

1084 ~~enactment of the tax under this section.]~~

1085 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing

1086 period is ~~rendered~~ produced on or after the effective date of the repeal of the tax imposed

1087 under this section.

1088 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1089 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in

1090 Subsection (5)(b)(i) takes effect:

1091 (A) on the first day of a calendar quarter; and

1092 (B) beginning 60 days after the effective date of the enactment or repeal under

1093 Subsection (5)(b)(i).

1094 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1095 commission may by rule define the term "catalogue sale."

1096 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1097 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1098 part for an annexing area, the enactment or repeal shall take effect:

1099 (A) on the first day of a calendar quarter; and

1100 (B) after a 90-day period beginning on the date the commission receives notice meeting
1101 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

1102 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1103 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
1104 repeal a tax under this part for the annexing area;

1105 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1106 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1107 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1108 (f) (i) ~~[The]~~ If the billing period for a transaction begins before the effective date of the
1109 enactment of the tax under this section, the enactment of [a] the tax takes effect on the first day
1110 of the first billing period~~[:-(A)]~~ that begins on or after the effective date of the enactment of the
1111 tax~~[:and]~~.

1112 ~~[(B) if the billing period for the transaction begins before the effective date of the~~
1113 ~~enactment of the tax under this section.]~~

1114 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1115 period is ~~[rendered]~~ produced on or after the effective date of the repeal of the tax imposed
1116 under this section.

1117 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1118 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1119 Subsection (5)(e)(i) takes effect:

1120 (A) on the first day of a calendar quarter; and

1121 (B) beginning 60 days after the effective date of the enactment or repeal under

1122 Subsection (5)(e)(i).

1123 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1124 commission may by rule define the term "catalogue sale."

1125 (6) (a) Before a city or town legislative body submits an opinion question to the
1126 residents of the city or town under Subsection (1), the city or town legislative body shall:

1127 (i) submit to the county legislative body in which the city or town is located a written
1128 notice of the intent to submit the opinion question to the residents of the city or town; and

1129 (ii) receive from the county legislative body:

1130 (A) a written resolution passed by the county legislative body stating that the county
1131 legislative body is not seeking to impose a tax under Part 7, County Option Funding for
1132 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

1133 (B) a written statement that in accordance with Subsection (6)(b) the results of a county
1134 opinion question submitted to the residents of the county under Part 7, County Option Funding
1135 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city
1136 or town legislative body to submit the opinion question to the residents of the city or town in
1137 accordance with this part.

1138 (b) (i) Within 60 days after the day the county legislative body receives from a city or
1139 town legislative body described in Subsection (6)(a) the notice of the intent to submit an
1140 opinion question to the residents of the city or town, the county legislative body shall provide
1141 the city or town legislative body:

1142 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

1143 (B) written notice that the county legislative body will submit an opinion question to
1144 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,
1145 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under
1146 that part.

1147 (ii) If the county legislative body provides the city or town legislative body the written
1148 notice that the county legislative body will submit an opinion question as provided in
1149 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no

1150 later than, from the date the county legislative body sends the written notice, the later of:

1151 (A) a 12-month period;

1152 (B) the next regular primary election; or

1153 (C) the next regular general election.

1154 (iii) Within 30 days of the date of the canvass of the election at which the opinion
1155 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the
1156 city or town legislative body described in Subsection (6)(a) written results of the opinion
1157 question submitted by the county legislative body under Part 7, County Option Funding for
1158 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

1159 (A) (I) the city or town legislative body may not impose a tax under this part because a
1160 majority of the county's registered voters voted in favor of the county imposing the tax and the
1161 county legislative body by a majority vote approved the imposition of the tax; or

1162 (II) for at least 12 months from the date the written results are submitted to the city or
1163 town legislative body, the city or town legislative body may not submit to the county legislative
1164 body a written notice of the intent to submit an opinion question under this part because a
1165 majority of the county's registered voters voted against the county imposing the tax and the
1166 majority of the registered voters who are residents of the city or town described in Subsection
1167 (6)(a) voted against the imposition of the county tax; or

1168 (B) the city or town legislative body may submit the opinion question to the residents
1169 of the city or town in accordance with this part because although a majority of the county's
1170 registered voters voted against the county imposing the tax, the majority of the registered voters
1171 who are residents of the city or town voted for the imposition of the county tax.

1172 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
1173 provide a city or town legislative body described in Subsection (6)(a) a written resolution
1174 passed by the county legislative body stating that the county legislative body is not seeking to
1175 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and
1176 Zoological Organizations or Facilities, which permits the city or town legislative body to
1177 submit under Subsection (1) an opinion question to the city's or town's residents.

1178 Section 12. Section **59-12-2103** is amended to read:

1179 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenue collected**
1180 **from the tax -- Administration, collection, and enforcement of tax by commission --**
1181 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1182 (1) (a) Subject to the other provisions of this section and except as provided in
1183 Subsection (2) or (3), beginning on January 1, 2009 and ending on June 30, 2016, if a city or
1184 town receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the
1185 city or town would have received a tax revenue distribution of less than .75% of the taxable
1186 sales within the boundaries of the city or town but for Subsection **59-12-205(4)(a)**, the city or
1187 town legislative body may impose a sales and use tax of up to .20% on the transactions:

- 1188 (i) described in Subsection **59-12-103(1)**; and
- 1189 (ii) within the city or town.

1190 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall
1191 expend the [~~revenues~~] revenue collected from the tax for the same purposes for which the city
1192 or town may expend the city's or town's general fund [~~revenues~~] revenue.

1193 (c) For purposes of this Subsection (1), the location of a transaction shall be
1194 determined in accordance with Sections **59-12-211** through **59-12-215**.

1195 (2) (a) A city or town legislative body may not impose a tax under this section on:

- 1196 (i) the sales and uses described in Section **59-12-104** to the extent the sales and uses
1197 are exempt from taxation under Section **59-12-104**; and

- 1198 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food
1199 ingredients.

1200 (b) A city or town legislative body imposing a tax under this section shall impose the
1201 tax on amounts paid or charged for food and food ingredients if the food and food ingredients
1202 are sold as part of a bundled transaction attributable to food and food ingredients and tangible
1203 personal property other than food and food ingredients.

1204 (3) (a) Beginning on January 1, 2009, and ending on June 30, 2016, to impose a tax
1205 under this part, a city or town legislative body shall obtain approval from a majority of the

1206 members of the city or town legislative body.

1207 (b) If, on June 30, 2016, a city or town is not imposing a tax under this part, the city or
1208 town legislative body may not impose a tax under this part beginning on or after July 1, 2016.

1209 (c) (i) If, on June 30, 2016, a city or town imposes a tax under this part, the city or
1210 town shall repeal the tax on July 1, 2016, unless, on or after July 1, 2012, but on or before
1211 March 31, 2016, the city or town legislative body obtains approval from a majority vote of the
1212 members of the city or town legislative body to continue to impose the tax.

1213 (ii) If a city or town obtains approval under Subsection (3)(c)(i) from a majority vote of
1214 the members of the city or town legislative body to continue to impose a tax under this part on
1215 or after July 1, 2016, the city or town may impose the tax until no later than June 30, 2030.

1216 (4) The commission shall transmit [~~revenues~~] revenue collected within a city or town
1217 from a tax under this part:

1218 (a) to the city or town legislative body;

1219 (b) monthly; and

1220 (c) by electronic funds transfer.

1221 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,
1222 collect, and enforce a tax under this part in accordance with:

1223 (i) the same procedures used to administer, collect, and enforce the tax under:

1224 (A) Part 1, Tax Collection; or

1225 (B) Part 2, Local Sales and Use Tax Act; and

1226 (ii) Chapter 1, General Taxation Policies.

1227 (b) A tax under this part is not subject to Subsections [59-12-205\(2\)](#) through [~~(6)~~] [\(7\)](#).

1228 (6) The commission shall retain and deposit an administrative charge in accordance
1229 with Section [59-1-306](#) from the [~~revenues~~] revenue the commission collects from a tax under
1230 this part.

1231 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,
1232 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
1233 repeal, or change shall take effect:

- 1234 (A) on the first day of a calendar quarter; and
- 1235 (B) after a 90-day period beginning on the date the commission receives notice meeting
- 1236 the requirements of Subsection (7)(a)(i) from the city or town.
- 1237 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:
- 1238 (A) that the city or town will enact or repeal a tax or change the rate of the tax under
- 1239 this part;
- 1240 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);
- 1241 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and
- 1242 (D) if the city or town enacts the tax or changes the rate of the tax described in
- 1243 Subsection (7)(a)(ii)(A), the rate of the tax.
- 1244 (b) (i) If the billing period for a transaction begins before the enactment of the tax or
- 1245 the tax rate increase under Subsection (1), the enactment of [a] the tax or [a] the tax rate
- 1246 increase takes effect on the first day of the first billing period that begins on or after the
- 1247 effective date of the enactment of the tax or the tax rate increase.
- 1248 (ii) If the billing period for a transaction begins before the effective date of the repeal
- 1249 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of [a] the tax or [a]
- 1250 the tax rate decrease applies to a billing period if the billing statement for the billing period is
- 1251 rendered on or after the effective date of the repeal of the tax or the tax rate decrease.
- 1252 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
- 1253 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
- 1254 described in Subsection (7)(a)(i) takes effect:
- 1255 (A) on the first day of a calendar quarter; and
- 1256 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
- 1257 rate of the tax under Subsection (7)(a)(i).
- 1258 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1259 commission may by rule define the term "catalogue sale."
- 1260 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs
- 1261 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the

1262 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1263 effect:

1264 (A) on the first day of a calendar quarter; and

1265 (B) after a 90-day period beginning on the date the commission receives notice meeting
1266 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1267 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1268 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
1269 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1270 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1271 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1272 (D) if the city or town enacts the tax or changes the rate of the tax described in
1273 Subsection (7)(d)(ii)(A), the rate of the tax.

1274 (e) (i) If the billing period for a transaction begins before the effective date of the
1275 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax
1276 rate increase takes effect on the first day of the first billing period that begins on or after the
1277 effective date of the enactment of the tax or the tax rate increase.

1278 (ii) If the billing period for a transaction begins before the effective date of the repeal
1279 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of [a] the tax or [a]
1280 the tax rate decrease applies to a billing period if the billing statement for the billing period is
1281 rendered on or after the effective date of the repeal of the tax or the tax rate decrease.

1282 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1283 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1284 described in Subsection (7)(d)(i) takes effect:

1285 (A) on the first day of a calendar quarter; and

1286 (B) beginning 60 days after the effective date of the enactment, repeal, or change under
1287 Subsection (7)(d)(i).

1288 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1289 commission may by rule define the term "catalogue sale."

1290 Section 13. Section **59-12-2206** is amended to read:

1291 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**
1292 **under this part -- Transmission of revenue monthly by electronic funds transfer --**
1293 **Transfer of revenue to a public transit district or eligible political subdivision.**

1294 (1) Except as provided in Subsection (2), the commission shall administer, collect, and
1295 enforce a sales and use tax imposed under this part.

1296 (2) The commission shall administer, collect, and enforce a sales and use tax imposed
1297 under this part in accordance with:

1298 (a) the same procedures used to administer, collect, and enforce a tax under:

1299 (i) Part 1, Tax Collection; or

1300 (ii) Part 2, Local Sales and Use Tax Act; and

1301 (b) Chapter 1, General Taxation Policies.

1302 (3) A sales and use tax under this part is not subject to Subsections **59-12-205**(2)
1303 through ~~[(6)]~~ (7).

1304 (4) Subject to Section **59-12-2207** and except as provided in Subsection (5) or another
1305 provision of this part, the state treasurer shall transmit ~~[revenues]~~ revenue collected within a
1306 county, city, or town from a sales and use tax under this part to the county, city, or town
1307 legislative body monthly by electronic funds transfer.

1308 (5) Subject to Section **59-12-2207**, the state treasurer shall transfer ~~[revenues]~~ revenue
1309 collected within a county, city, or town from a sales and use tax under this part directly to a
1310 public transit district organized under Title 17B, Chapter 2a, Part 8, Public Transit District Act,
1311 or an eligible political subdivision as defined in Section **59-12-2219**, if the county, city, or
1312 town legislative body:

1313 (a) provides written notice to the state treasurer requesting the transfer; and

1314 (b) designates the public transit district or eligible political subdivision to which the
1315 county, city, or town legislative body requests the state treasurer to transfer the ~~[revenues]~~
1316 revenue.